STATE OF MAINE PUBLIC UTILITIES COMMISSION Docket No. 2001-375

June 19, 2001

PUBLIC UTILITIES COMMISSION Repeal of Chapters 340, Fuel Adjustment for Electric Utilities, and 341, Fuel Cost Adjustment for Small Electric Utilities ORDER COMMENCING RULEMAKING

WELCH, Chairman; DIAMOND and NUGENT, Commissioners

The Commission is instituting this rulemaking to repeal Chapters 340 and 341 of the Commission's Rules (65-407 CMR 340, 65-407 CMR 341), Fuel Adjustment for Electric Utilities and Fuel Cost Adjustment for Small Electric Utilities, respectively. The statutory authority for Chapters 340 and 341 was previously set forth in 35-A M.R.S.A. § 3101.

Because the statutory authority for these rules no longer exists, the Commission proposes repealing Chapters 340 and 341. These rules established calculation methods for fuel costs and were originally created to implement 35-A M.R.S.A. § 3101. This statute required electric utilities with total assets of \$40,000,000 or more to include as part of their base rates a reasonable cost for fuel and to adjust rates for changes in fuel costs. The statute also allowed electric utilities with less than \$40,000,000 in assets to make similar adjustments. The Legislature repealed section 3101 effective March 1, 2000, as part of electric restructuring, rendering these rules unnecessary. P.L. 1999, ch. 398, § A-42.

This rulemaking will be conducted according to the procedures set forth in 5 M.R.S.A. § 8051-8064. No public hearing on the repeal of Chapters 340 and 341is scheduled, but one will be held if requested by any five (5) interested persons. To request a public hearing, interested persons must notify the Administrative Director, Public Utilities Commission, 242 State Street, State House Station #18, Augusta, Maine 04333-0018 (telephone: (207) 287-3831), on or before July 6, 2001.

Please notify the Public Utilities Commission if special accommodations are needed in order to make the hearing, if one is held, accessible to you by calling 1–287-1396(*) or TTY 1-800-437-1220. Requests for reasonable accommodations must be received 48 hours before the scheduled event.

Written comments on the proposal to repeal these rules may be filed with the Administrative Director no later than July 27, 2001. Please refer to the Docket Number of this proceeding, Docket No. 2001-375, when submitting comments.

In accordance with 5 M.R.S.A. § 8057-A(1), the fiscal impact of repealing Chapters 340 and 341 is expected to be minimal. It is not expected to impose an economic burden on small businesses. The Commission invites all interested parties to comment on the fiscal impact and all other implications of the proposed repeals. The full text of Chapters 340 and 341 may be viewed on the Maine Public Utilities Commission website, http://www.state.me.us.mpuc.homepage.htm.

Copies of this Order will be provided to the following:

- 1. All transmission and distribution utilities in the State;
- 2. All people who have filed with the Commission within the past year a written request for Notice of Rulemaking;
- 3. The Secretary of State for publication in accordance with 5 M.R.S.A. § 8053(5); and
- 4. Executive Director of the Legislative Council, State House Station 115, Augusta, Maine 04333 (20 copies)

Accordingly, it is

ORDERED

- 1. That the Administrative Director send copies of this Order to all the persons listed above and compile a service list of these persons and any additional persons submitting written comments on the proposed repeals.
- 2. That the Administrative Director send a copy of the Order Commencing Rulemaking Repeal to the Secretary of State for publication in accordance with 5 M.R.S.A. § 8053.

Dated at Augusta, Maine, this 19th day of June, 2001.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond